

Energy Services Coalition Newsletter

July 2009

Dear Jim,

Welcome to the newsletter of the Energy Services Coalition (ESC). We launched this to communicate exciting news on the many ESC activities now happening around the nation.

In This Issue

Now is the Time to Join ESC!

State Showcase - Colorado

What's New in Performance Contracting? Wastewater's Waste Turns into Electricity, Heat and Jobs

State Chapters in Action

ESC Hot News

Now is the Time to Join ESC!

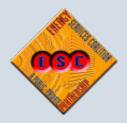


July is the beginning of ESC's annual membership period, so it's a perfect time to get involved in this exciting and growing organization. Whether you view it as a benefit to your business or a path to environmental sustainability, we welcome you! ESC's focus - to increase energy efficiency through performance contracting - results in real projects that make a real contribution to our nation's future.

You can play an active role in the ESC and make a big difference, participating in state chapters, spreading the word about energy performance contracting by sharing ESC informational resources, helping out with workshops and events, sharing your strategies to advance performance contracting or participating in other industry-advancing activities. Tony Philips, an ESCO Account Executive, experienced first-hand how ESC's public-private partnership approach made a difference in Mississippi. Phillips values his membership and said: "I've found many advantages being an ESC member involved with the Mississippi ESC Chapter. It gives me an opportunity to network with others in the industry, build valuable relationships, stay on top of key issues facing our industry, participate in informative educational sessions and to be able to build instant credibility with my customers as a Mississippi ESC member."

Annual dues are only \$240 for business employees and \$120 for government and non-profit organization employees. ESC is a membership of individuals, not a company-based membership organization. Your dues support both the national organization and the state chapter(s) of your choice. You can

About the ESC



The Energy Services Coalition (ESC) is a national nonprofit organization composed of a network of experts from a wide range of organizations working together at the state and local level to increase energy efficiency through energy performance contracting.

Energy performance contracting enables building owners to use future energy savings to pay for up-front costs of energy-saving projects, eliminating the need to dip into capital budgets.

ESC Working for YOU

State Energy Offices and similar organizations:

ESC's website offers a growing variety of tools and resources to aid you in accelerating performance contracting in your state. ESC's State Technical Support Liaisons can work one-on-one with you to develop a performance contracting program.

Networking opportunities put you in touch with your peers in

contribute additional dues to participate in more than one chapter. <u>Join now!</u>

State Showcase - Colorado



ADVANCING COLORADO TO A NEW ENERGY ECONOMY >>>

Colorado's state energy office initiated an energy performance contracting program in 1988 that evolved into what is now a major part of Governor Ritter's New Energy Economy. Managed by the <u>Colorado Governor's Energy Office (GEO)</u>, the <u>Commercial and Public Buildings Program on Performance Contracting</u> has demonstrated the effectiveness of most of ESC's recommended <u>Best Practices</u>, from strong legislative and gubernatorial support, to pre-qualified Energy Service Companies (ESCOs) with pre-approved contracts, to a successful public-private partnership with its ESC state chapter. Energy performance contracting has become recognized in Colorado as the best way to fund energy-saving improvements in buildings, modernize facilities, reduce the use of energy resources, and reduce the demand on the state's budget to operate public facilities.

The program has provided technical assistance to projects totaling well over \$200 million in capital investment supported by over \$20 million in annual savings, creating over 2,000 annual jobs with the environmental benefit comparable to removing 60,000 cars from the road. Joel Asrael, GEO's Commercial Buildings Program Manager, said: "We have 144 projects in the program now, in stages from ESCO selection through monitoring and verification, and 13 ESCOs are pre-qualified to provide services. We're proud of the program's success as it puts us on the path to reach the state's goal to cut energy use by 20% by 2020 and to 'lead by example' through our Greening Government program."

Colorado's energy office was a key player in founding the national Energy Services Coalition and its program managers have been involved with the National ESC from its conception to the present day. Joel Asrael was just invited to join ESC's Board this month to replace his predecessor Jeff Lyng. Colorado pioneered the chapter approach for the ESC and the Colorado ESC Chapter has thrived since 2001.



Joel Asrael, Commercial & Public Buildings Program Manager (second from right), shares Colorado successes with other state and ESC representatives.

Quarterly meetings are lively with well over 25 participants each time, bolstered by very strong GEO leadership and support. The chapter and GEO hosted 160 decision-makers at a full-day workshop last year - *Greening Facilities in the New Energy Economy*. The chapter just saw a major initiative become a reality. Successfully partnering with Xcel Energy, the largest utility company in the state, the chapter worked with Xcel, at Xcel's invitation, to design a customized utility incentive program that complements the performance contracting approach. Xcel just released its standard offer.

What's New in Performance Contracting? Wastewater's Waste Turns into Electricity Generation, Process Heat and Jobs

other states.

ESCOs:

Work in partnership with public-sector representatives in states where you do business. And, work in partnership with your peers and others to break down local barriers to performance contracting and increase awareness through effective educational workshops.

Vendors, Engineers, Contractors & Performance Contracting Specialists:

Grow your business by accelerating the use of energy performance contracting.

Building Owners & Facility Managers:

Get unbiased information and how-to steps to get started and follow-through with a successful energy performance contracting project.

ESC Activities

WEBINARS

ESC is presenting webinars quarterly on timely topics. Additional webinars are planned to address ongoing member interests. All will be available for viewing at any time in ESC's growing online webinar library.

NEWSLETTERS

Newsletters are distributed every several months. Signup for the newsletter and contact us to contribute ideas for our "What's New in Performance Contracting" feature.

CHAPTER ACTIVITIES

Chapters have a variety of activities. Check the chapter websites or contact chapter leaders to get involved.

Get Involved

Join the ESC

More On ESC

Contact ESC

Join Our Mailing List!



A performance contract converted environmentally damaging waste into a high-value environmentally-friendly commodity for the City of Baltimore's Back River Wastewater Treatment Plant. The plant was already using anaerobic digesters to process the waste, and capturing residual methane gas to heat the

digesters, but not all gas could be utilized. Instead of flaring the remaining methane gas into the atmosphere, a new combined heat and power plant fires the gas to spin electricity-producing generators, provides co-generated steam to offset heating requirements for processing sludge, and cleans any remaining gas to fuel boilers that heat facilities. To optimize the entire wastewater treatment plant's efficiency, the ESCO replaced outdated boilers and chillers with new ones equipped to run on methane gas, installed efficient lighting equipment and replaced all non-efficient electrical motors over 25 horsepower. Utility and operational savings from this comprehensive project will pay for the entire \$14 million project within 8 to 15 years (8 years if future electricity costs inflate as expected). Plant Manager Nick Frankos said, "the timing was right because rising energy costs made it economically viable."

The digester gas cogeneration plant just came on-line in November and will generate 2.4 megawatts of electricity with available methane supply, providing 20% of the plant's electricity needs and eliminating 12.9 million pounds of carbon emissions annually. The benefits don't stop there. The cogeneration system can expand as city facilities expand and it provides a future hedge against rising gas and electricity prices. The performance

contracting project benefits the city's bottom-line as well as the community's, creating many jobs for local contractors. Frankos added: "Overall it's a good project. It was seamless to us as the ESCO did all the work from design to installation and will handle maintenance to ensure its continuing operation. And, it didn't cost us anything from our capital budget."



State Chapters in Action



Chapters are as diverse as the states themselves, but several common activities emerge. The chapter provides a forum for both public and private parties to join forces on activities to increase energy efficiency through performance contracting. Education usually tops the list as the most effective way to increase performance contracting activity, hosting workshops for facility owners or involving decision-makers in interactive chapter meetings or both. Breaking down barriers

to government processes is another priority for most chapters and is often the impetus for creating a chapter. With state leadership, this can involve refining and streamlining procurement and contracting processes, updating legislation, and clarifying the authority for agencies to enter into performance contracts, making a big difference in establishing performance contracting as an approved and encouraged method for governments to implement.

A sampling of what's happening around the country: The <u>Tennessee ESC Chapter</u>, with the Tennessee Valley Authority (TVA) is holding a <u>Tennessee Green Building Summit</u> in September where all are invited to join with

Recognition of Support

Market Transformation tools to accelerate energy performance contracting are made available through support of the U.S. Department of Energy -Energy Efficiency and Renewable Energy.



community leaders to explore best practices related to funding and doing green projects. The Kentucky ESC Chapter has new life with enthusiastic involvement of the Finance Administration Cabinet to break down barriers to performance contracting in state government and make it an approved method of choice. The Georgia ESC Chapter is advising on ways to overcome very restrictive legislation and looks forward to breaking through financing barriers in the next legislative cycle. The South Carolina ESC

Chapter is working with the state's Energy Coordinators group to plan a workshop. As mentioned above, ESC's oldest chapter - Colorado ESC Chapter - demonstrated the strength in a public private partnership, effectively partnering with the local utility to influence its approach to incentivizing performance contracting programs.

The Alabama ESC Chapter is planning for its 4th Annual Energy Efficiency and Renewable Energy Conference in October. This is just a sampling of what the ESC state chapter approach can accomplish - stay tuned for future success stories.

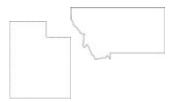


ESC Hot News

Two states issue solicitations for performance contracting services RFO for Energy Performance Contractors for State of Montana Submittals are due to DEQ August 14, 2009

RFP for Energy Performance Contracting Services for State of Utah

Submittals are due August 4, 2009



Events

Tennessee Green Building Summit: Funding and Doing GreenSeptember 22, 2009 - Marriott Airport Hotel, Nashville, TN

Alabama 4th Annual Energy Efficiency and Renewable Energy Conference October 22, 2009, 8:30 - 2:30, Marriott Legends, Prattville AL

Green Performance Contracting - An ESC Webinar

September 4, 2009; 1:00 - 2:00 ET

Presented by: Robert N. Van Der Like, CSDP, CEM, LEED® AP

If you missed the last webinar on financing options, catch it at your leisure: Biggest Bang for the Buck - Leveraging Funds.

New on the ESC website

For Local Governments: Strategies, rationale, and implementation examples for local governments to use performance contracting

ESC Board Welcomes New Board Member

Joel Asrael, Commercial and Public Buildings Program Manager, Colorado Governor's Energy Office, is ESC's newest board member. See the feature article above about Joel's work in Colorado.

I hope you enjoyed this issue of the ESC Newsletter. I invite you to join the ESC organization and get involved. There has never been a better time to add your support to the growth of the energy savings performance contracting industry.

Sincerely,

Ray Hinson, President of the ESC Board of Directors

Forward email





This email was sent to info@energyservicescoalition.org by $\underline{info@energyservicescoalition.org} \mid Instant removal with <math>\underline{SafeUnsubscribe}^{\intercal M} \mid \underline{Privacy Policy}$.

Energy Services Coalition | 1108 Dawnwood Drive | Old Hickory | TN | 37138